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# REPUBLIC OF KENYA

## NYANDARUA COUNTY ASSEMBLY

### 1<sup>ST</sup> ASSEMBLY- 4<sup>TH</sup> SESSION

#### OFFICIAL REPORT

Thursday 15<sup>th</sup> December, 2016

*The Assembly met at the Assembly Chamber (P.C.E.A Hall) at 2:30 P.M*

*The Speaker, Hon. Ndegwa Wahome, in the Chair*

#### PRAYER

#### QUORUM CALL AT THE COMMENCEMENT OF THE SITTING

*(There is no quorum as confirmed by the Clerk-at-the-Table)*

**Speaker:** Hon. Members, quorum having not been recognized, I invoke the provisions of standing order number 31, and direct that the bell be rung for an initial ten minutes or until such time, within the ten minutes, that quorum will have been achieved.

*(The bell rings for five minutes and there is no quorum as confirmed by the clerk-at-the-table)*

#### COMMUNICATION FROM THE CHAIR

##### COMMENTS ON THE REPORT ON CONTRACTORS PETITION

Hon. Members, I have a brief communication to make and this is on comments on the report on the petition by Contractors.

Hon. Members, pursuant to standing orders no. 193 (a), the petition by the Nyandarua Contractors Association which was submitted to the Clerk on 24<sup>th</sup> October 2016, the same was reported by the Speaker on 24<sup>th</sup> November, 2016 and forthwith committed to the sectoral committee on Road Public Works and Transport. (I'm expecting that the report is going to be laid today. I know that it is in the order paper and I have a copy of the same). The committee having laid the report in the assembly today 15<sup>th</sup> December, 2016, I do hereby wish to give the following directions on the manner of disposal of the same as per the Standing Order. Article 200 (2) of the Standing Orders.

Whenever a Petition is committed to a Sectoral Committee, the Committee shall, in not more than sixty calendar days from the time of reading the prayer, respond to the Petitioner by way of a report addressed to the Petitioner or Petitioners and laid on the Table of the Assembly and no debate on or in relation to the report shall be allowed, but the Speaker may, in

exceptional circumstances, allow comments or observations in relation to the Petitions for not more than twenty minutes.

Hon. Members, taking cognisance that majority of you have not had time to read the report and to would be prudent to allow some time to enable you to read and digest the response and details of the committee report to the petitioners to allow enlightened and insightful comments on the same.

In light of the above I hereby direct as follows;

That the comments on the committee's report on the petition will not be conversed during this sitting of the Assembly.

That is this session because I have said that we require the members to read this report which has just been presented to them so that they can internalize and make comments for those that will be able to fit in the twenty minutes.

1. The assembly being set to resume for a sitting tomorrow on 16<sup>th</sup> December 2016 the chair shall allow the maximum time provided for in the standing orders to the members that is twenty minutes to ventilate on the said report.
2. The twenty minutes shall be regulated in the following manner;
  - a) Five minutes for the chairperson of the committee to present a summary of the findings and recommendation of the committee there in.
  - b) The balance of the fifteen minutes to be shared among the other members on sequence of order of priority. You appreciate that the order of priority is from the leader of majority all the way to the members of the committee.

Hon. Members, I humbly request that any Member granted opportunity to make comments on the report to restrain in the relevant issues with utmost brevity and precision. I further urge you to deeply engage with the report and analyse the same critically to enable comments that will be constructive on record toward the object of the petition.

Hon. Members, I thought it was good to give notice of that because the standing orders are very clear, we do not require to move a motion for this report. The report should only be tabled for the notice of the House otherwise the committee should report directly to the petitioners.

We however think that this is an important report and as an oversight body we would be abdicating our authority and duty if we just table the report and let it go. We shall allow the chairperson of the committee to make some highlights on the report especially their findings on the pending bills which are payable and those that are not payable and what requires to be done and whatever recommendations they have made. As the Speaker, it is unlikely for me to be there and the Deputy Speaker will be presiding over because tomorrow we have a visit by the Chief Justice in the County and as the chair of LSK Nyandarua Chapter, I was called from his office and so they expect that I will be welcoming him at Engineer and so it is not possible that I be in the House. With the guidelines which we have shared with the Deputy Speaker, we shall be able to deal with this issue conclusively so that as we break for the long recess, justice will have been done to our contractors and our observations recognized by the executive.

Yes member for Geta Hon. John Githinji Mwaniki.

**Hon. Githinji Mwaniki:** Thank you Mr Speaker, for the guidelines that you have given us. Mr Speaker, I am concerned on the issue of time although it is well stipulated in the standing

orders. Twenty minutes cannot be enough for the members and I was asking whether it would be possible to have an addition of ten minutes. I am simply moving an amendment that there be addition of ten minutes so that we can have thirty minutes. I now call the seconder...

**Speaker:** Order member for Geta! The wording... You know when I presented the petition, I deliberately allowed you two hours so that you could converse that Petition so that the Committee could be able to consider all your input. We also provided you room to make your presentations to the committee because I knew that I would be in breach of this law if I allow you to debate when the report is there. That is why I allowed a lot of time when the report had not been prepared. After the report has been prepared, your hands are completely tied. You note that the law says 'unless in exceptional circumstances'. Actually there are no exceptional circumstances here because it is only when there are, that you can allow twenty minutes. What the Deputy Speaker will do and I know that he is up to the task, will control debate and if he allows one minute for those who speak, it will have to be one minute.

He will ensure that every aspect of presentation in this has been heard on this report. We cannot move a motion because a motion cannot contradict the standing orders and we cannot entertain such a motion. Yes, member for Geta.

**Hon. Githinji Mwaniki:** Mr Speaker, in the report there are some wards that are missing and they still have challenges.

**Speaker:** Unlike statements where if a statement is issued, issues arising from that statement can again be brought to the house, there is no such a provision for the petition. We also know that this petition was brought to us by the contractors. Those pending bills are being worked on by the executive. It is only that it was brought to us and we have to respond to the public who are our employers. Otherwise even if we never dealt with this issue, the executive was dealing with it. We are however happy about that petition because the assembly's voice will be heard. This has been a very sensitive issue in this county. Yes member for Kanjuiri- Ridge Hon. Suleiman Kihika Kimani.

**Hon. Suleiman Kimani:** Thank you Mr Speaker, for responding to the member for Geta. He has said that some of the wards are missing from the report, as a committee we had given them a day to bring to the committee their issues. The issues appearing in this report are for those members that responded to that.

**Speaker:** I do not think that this debate is going in the right direction. Member for Geta you might get one minute tomorrow. This was the tabling of the report and I have tried as much as possible to accommodate everyone knowing very well that this is a sensitive issue. I am also noting that these contractors are people from Nyandarua and they come from your area, I understand. That is why I allowed two hours when this petition was filed. There is nothing I can do about what you will say here. Whatever you say here might not change what will happen tomorrow and I do not think that it would be necessary at this point. Member for Geta.

**Hon. Githinji Mwaniki:** I wanted to respond to one of the members of the committee

**Speaker:** I am not liking it this way because this is a house of rules and order. I will allow Njiraini one minute.

**Hon. Kimani Njiraini:** Mr Speaker, I wanted your direction on when to make our comments. Is it now or tomorrow?

**Speaker:** It will be tomorrow at ten. Today the house will be adjourning to another day other than the next sitting day. It is after tomorrow that the House will be adjourning for the long recess.

**Hon. Kimani Njiraini:** Thank you Mr Speaker, there are so many issues because in my ward there is a contractor that had every document requires and he has completed the work but his name is not here. I will however table them tomorrow.

**Speaker:** Member for Geta.

**Hon. Githinji Mwaniki:** Mr Speaker, We had forwarded the same to the Chairperson and so I wanted one of the members of that committee...

**Speaker:** Did you present to the Chairperson as a person or when he was sitting in the committee?

**Hon. Githinji Mwaniki:** Immediately it was submitted to us I gave it to him.

**Speaker:** Member for Gathaara, Hon. Daniel Kibebo Ruara, do you also want to comment on the same?

**Hon. Daniel Kibebo:** Mr Speaker, you are giving us directions and we should not move away from that because the document has not even been tabled in the House.

**Speaker:** Actually that is... it is has only been premeditated that it will be tabled. It has not been officially tabled. Very well member for Gathaara.  
Next order.

## PETITIONS

### PENDING BILLS FROM FY 2013/2014 TO FY 2015/2015

Yes, Member for Nyakio and the Vice Chairperson Committee on Road, Public Works and Transport, Hon. Joshua Muriithi.

**Hon. Joshua Muriithi:** Thank you Mr Speaker. On behalf of my Chairman I beg to table the Fifth Report of the Committee on Roads, Public Works and Transport in Response to the Petition by the Nyandarua Contractors Association on Pending Bills from FY 2013/2014 to FY 2015/2015.

**Speaker:** Very well; the document is now a property of the House. Hon. Members, we convened an urgent meeting of the House Business Committee and looked at the issues I have communicated concerning the pending bills. A motion on the tabled report will be moved tomorrow, although a motion on the sitting will be moved today.  
Next order.

## PAPERS

### 1. FINANCIAL STATEMENTS OF OL-KALOU WATER AND SANITATION COMPANY LIMITED FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2015

*(Hon. Michael Kirumba rises on behalf of Hon. Kariuki Muchiri)*

Yes, Member for Kipipiri and the Deputy Leader of the Majority Party, Hon. Michael Kirumba  
**Hon. Michael Kirumba:** Thank you Mr Speaker. On behalf of Hon. Kariuki Muchiri, I beg to table the Report on Financial Statements of Ol'kalou Water and Sanitation Company Limited for the year ending on 30<sup>th</sup> June, 2015.

**Speaker:** That report is duly tabled. According to law and practice it will be referred to PIC/PAC. There are three documents in that line; the Speaker will give directions on how the documents will be handled after the third document is tabled.

Next order.

*(The Speaker Hon. Ndegwa Wahome leaves the Speaker's Chair and the Deputy Speaker, Hon. Edinald King'ori assumes the Chair)*

*(Hon. Michael Kirumba rises on behalf of Hon. Kariuki Muchiri)*

2. FINANCIAL OPERATIONS OF NYANDARUA COUNTY ASSEMBLY FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2015

Yes, Member for Kipipiri and the deputy Leader of Majority, Hon. Michael Kirumba  
**Hon. Michael Kirumba:** Thank you Mr Speaker. Again on behalf of the Leader of Majority I beg to table the Report of the Auditor General on Financial Operations of Nyandarua County Assembly for the year ended 30<sup>th</sup> June, 2015.

Mr Speaker, I very quickly wish to highlight the content of the forwarding letter to which the said report is attached:

Report of The Auditor General on the Submission of the Financial Operations of Nyandarua County Assembly for the year ended 30<sup>th</sup> June, 2015. The report is submitted in accordance with the provisions of Article 229 (7) of the Constitution for the necessary action as required by Article 229 (8) of the Constitution.

**Speaker:** The Report is duly tabled and referred to PIC/PAC committee. The Vice Chairperson of PIC/PAC should tell the House when the Committee will bring back the report on the same.

**Hon. Suleiman Kimani:** Mr Speaker, since there are three reports referred to the PIC/PAC committee, and they need to be exhaustively dealt with, the Committee requires ninety days in order to table a comprehensive report.

Thank you Mr Speaker.

**Speaker:** Next order.

3. FINANCIAL STATEMENTS OF COUNTY GOVERNMENT OF NYANDARUA FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2015

*(Hon. Michael Kirumba rises on behalf of Hon. Kariuki Muchiri)*

Yes, Hon. Michael Kirumba.

**Hon. Michael Kirumba:** Thank you Mr Speaker. On behalf of the Leader of Majority, I beg to table the report on Financial Statements of the County Government of Nyandarua for the year ended 30<sup>th</sup> June, 2015. The report is dated 17<sup>th</sup> October, 2016.

**Speaker:** Well, the Vice Chairperson of PIC/PAC should state what time the Committee requires to bring back reports on the three report that have been tabled and referred to it.

**Hon. Suleiman Kimani:** Mr Speaker, as I have said, the Committee requires ninety days.

**Speaker:** So, effective from today, PIC/PAC will be expected to table the reports. Next order.

## MOTIONS

### COUNTY BUDGET REVIEW AND OUTLOOK PAPER

*(Hon. David Ndirangu (Mirangine) rises on behalf of Hon. James Gachomba)*

**Speaker:** Yes, Hon. David Ndirangu.

**Hon. David Ndirangu (Mirangine):** Thank you Mr Speaker. I beg to move the following motion:

That this House does adopt the Report of the Budget and Appropriations Committee on the County Budget Review and Outlook Paper as a report of this House and the recommendations therein as the resolutions of this House.

Mr Speaker, since my fellow Members have a copy of the report, I do not wish to read the contents under Table of Contents, List of Tables and Preamble. Let me start with the Committee's mandate:

Upon submission of the Nyandarua County Budget Review and Outlook Paper 2016, the Budget and Appropriations Committee was mandated as per Article 185 of the County Assembly Standing Orders to interrogate and compile a report.

Mr. Speaker, let me thank all Committee members who worked tirelessly to prepare the report within the short timeframe. The Committee is also grateful to the Office of the Speaker and Office of the Clerk to the County Assembly for the support received as it discharged its mandate in scrutiny of the County Budget Review and Outlook Paper 2016.

On behalf of the Members of the Budget and Appropriations Committee and pursuant to Article 185 of the County Assembly Standing Orders, it is my pleasure and duty to present the Committee's report on the Nyandarua County Budget Review and Outlook Paper 2016 to this House for adoption.

## CHAPTER ONE: FISCAL PERFORMANCE REVIEW FOR 2015/16 FY

### Overview

The CBROP notes that the County's performance in terms of revenue and expenditure for the financial year 2015/ 2016 was as follows;

The budget estimates for the 2015/16 FY amounted to Kshs.5, 597,056,815 constituting of;

- transfers from the National Government,
- conditional grants,
- Donor Funding,
- mobilisation of the local revenues and

- Unspent balances carried forward from the 2014/15 Financial Year.

Notably, review shows that in the Financial Year 2014/15, the County surpassed the targeted local collections by Kshs.40,629,472 which was carried forward and budgeted for in the 2015/16 Financial Year.

Further the County government for the year ended June 2016, expended Kshs.4,884,825,297 out of the budgeted amount of Kshs.5,597,056,815 which is equivalent to an absorption rate of 87.3 %.

## APPROVED 2015/2016 FY BUDGET ESTIMATES

### Revenue

The CBROP informs that in the financial year 2015/16, the County had a projected resource envelope of Kshs.5, 597,056,815.

This comprised of:

- Kshs.4,307,070,831 from the equitable share,
- Kshs.288,074,189 as conditional grant from national government,
- Kshs.18,860,000 as hospital grant from DANIDA,
- Kshs.392,000,000 as local collections; and
- Kshs.591, 051,795 as balance brought forward as exchequer returns from 2014/15 FY.

Members should go through the table that provides the details of the county approved budget for financial year 2015/16 as contained in the report.

### Expenditure

The CBROP informs that the County government projected an expenditure of Kshs.5,597,056,815 which comprised of Kshs.3,437,906,827 equivalent to (61.4%) for recurrent and Kshs.2,159,149,988 equivalent to (38.6%) for development.

Members can go through the table on approved departmental allocations for period ending 30th June, 2016 as contained in the report.

## 2015/16 FY ACTUAL REVENUE PERFORMANCE

### Equitable Share

The CBROP indicates that as part of its equitable share the County had projected to receive Kshs.4, 307,070,831 in the period under review and received the entire share. Members can go through the table on exchequer releases for the period ending 30<sup>th</sup> June, 2016 as contained in the report.

Notably, the county received its largest equitable share (41.5%) in the fourth quarter followed by the second quarter and the least (8.0%) in the first quarter.

### Conditional grants

The CBROP indicates that the County had projected to receive a total of Kshs288, 074,189 as conditional grant from the National Government comprising of:

- Kshs.54,714,122 from fuel levy fund,

- Kshs.73,000,000 for roads 2000 programme,
- Kshs.50,716,400 for free maternity programme,
- Kshs.13,898,986 for hospitals user fees foregone and
- Kshs.95, 744,681 for leasing of medical equipment.

The county's receipts of conditional grants were as indicated in table 1 on Receipts of Conditional Grants for the period ending 30<sup>th</sup> June, 2016.

The total amounts projected for fuel levy fund and user fees foregone were released to the county.

The medical equipment in the County is repaid on yearly instalments as indicated above.

Note: The grant for leasing of medical equipment is deducted at source, hence the amount is not released to the County.

Further, only 61% of funds for free maternity programme were released and the entire amount for the Roads 2000 programme (Kshs.73, 000,000) was not received.

### Donor funding

The county received the expected Kshs18, 860,000 from DANIDA for support to the health subsector.

### Locally generated revenue

The CBROP indicates that from the County Internal Revenue Sources, there was a projection to generate Kshs.320 million from various local streams, for example, Kshs.30 million from Veterinary Services Development Fund (VSDF) and kshs.42 million from Health Facility Improvement Fund (FIF). From these sources, the county generated Kshs.281, 941,469 (71.9% of target).

Members can analyse Table 5 on locally generated revenue performance for the period ending 30<sup>th</sup> June, 2016. The Veterinary Services Development Fund netted the least at 13.4% of its budgeted revenue it's evident that the performance was minimal.

### Unspent balances in 2014/15

The CBROP indicates that in the FY 2015/2016, the County had kshs.591,051,795 as balances brought forward from 2014/15 FY. It's noted that this was mostly in terms of unsettled bills and over collection in local revenues in the FY 2014/15 target.

## 2015/16 FY ACTUAL EXPENDITURE PERFORMANCE

### County expenditure

The CBROP informs that in the period ending 30<sup>th</sup> June 2016, the county spent 93.3 % of its recurrent budget and 77.7% of its development budget.

The county spending was at 87.3 % of the entire budget as shown in table 6.



Note: The total recurrent expenditure is equivalent to 65.6% and the total development expenditure is equivalent to 34.4% of the total expenditure.

## COUNTY DEPARTMENTAL EXPENDITURES FOR THE PERIOD ENDING 30<sup>TH</sup> JUNE, 2016

In the period under review the CBROP indicates that the department of health accounted for the highest (23.3%) of the total county expenditure (Kshs.4, 884,825,297), followed by department of roads, transport & Public Works (21.1%) and County Assembly (13.6%). The department of County Attorney accounted for the least expenditure (1.1%).

## ANALYSIS OF DEPARTMENTAL TOTAL RECURRENT EXPENDITURE FOR THE PERIOD ENDING 30<sup>TH</sup> JUNE 2016

The CBROP indicates that the HEALTH department accounted for the highest (30.1%) utilization of county recurrent resources while the department of Tourism, youth and Sports accounted for the least (0.9%).

The County Assembly had the highest absorption (99.9%) of the allocated funds while the department of the County Attorney, E-Government and Intergovernmental Relations had the least absorption (70.5%) of the allocated funds. This is indicated in Table 8 of the report.

### Analysis of development expenditure

The CBROP indicates that the Department of Roads Transport and Public Works had the highest total expenditure at 55.4% (Kshs.929, 872,801) of the total county development budget followed by the Department of Water and environment at 12.1% (Kshs.202, 456,255) and department of health services at 10.3%. (Kshs.173, 554,025).

Further, the department of Communication, Legal and Intergovernmental Affairs accounted for the least at 0.8% (Kshs.13,041,902), followed by Lands, Housing & Physical Planning at 1.4% (Kshs.23,671,110) and Tourism, Wildlife & Sports at 2.1% (Kshs.35,328,519) as indicated on Table 2: Analysis of development expenditure.

### Fiscal Performance in relation to Fiscal Responsibility Principles

The CBROP with reference to Section 107 of the PFM Act, 2012 and regulation 25 of the PFM (County governments) Regulations, 2015 indicates that the fiscal responsibility principles which the County governments have to observe include the following:-

- I. County government's expenditure on wages and benefits for its public officers shall not exceed thirty five (35) percent of the county government's total revenue;
- II. the county public debt shall never exceed twenty percent of the county governments total revenue at any one time;
- III. the approved expenditures of a county assembly shall not exceed seven per cent of the total revenues of the county government or twice the personnel emoluments of that county assembly, whichever is lower;

- IV. the county government actual expenditure on development shall be at least thirty percent

An analysis of the County's adherence to the fiscal responsibility principles for the period under review is as indicated on Table 3: Analysis of the County's adherence to the fiscal responsibility principles for the period ending 30<sup>th</sup> June, 2016.

#### Expenditure on wages and benefits

The CBROP indicates that the county's expenditure on wages and benefits accounted for 30.6% of the total budget and 34.3 % of the county's actual expenditure in 2015/16 FY. The county was therefore in line with the set limit of 35 % of the county revenues.

#### Public debt

The CBROP indicates that the County's budget was financed by its own local revenue. The county did not therefore consider debt financing through internal or external borrowing to finance the Financial Year 2015/16.

#### APPROVED EXPENDITURES FOR COUNTY ASSEMBLY FOR THE FINANCIAL YEAR 2015/2016

The CBROP informs that the County Assembly approved expenditure of Kshs.720,868,212 accounted for 12.9 % of the county's total budget. The approved ceiling for recurrent expenditure was Kshs. 580,568,212 representing 10.4% of the county's total budget. The latter is pursuant to the County Allocation of Revenue Act 2015.

#### Development expenditure

The CBROP informs that the total approved development expenditures for 2015/16 FY was Kshs.2,159,149,988 representing 38.6% of the county total budget and further that the actual expenditure on development accounted for 34.4% (Kshs.1,678,537,310) of the County's total expenditure in financial year 2015/16.

#### CHAPTER TWO: ECONOMIC AND FINANCIAL FORECAST FOR 2017/2018FY AND THE MEDIUM TERM

### MACROECONOMIC OUTLOOK AND POLICIES

#### National Outlook

The CBROP informs that the Kenyan economy grew by 5.3 percent in 2014, 5.6 percent in 2015 and is projected to grow at 6.0 percent in 2016 and 6.5 percent over the medium term. The growth being supported by continued investment in-

- infrastructure,
- construction,
- mining,
- lower energy prices; and,
- Improved agricultural production from the irrigation programme.

County Outlook

The CBROP indicates that the high country's growth and trade prospects which can make the Counties leverage on the anticipations associated with them.

Areas of priority

The County has continuously prioritised among others;

## i. The agricultural sector

The County is one of the leading agricultural producers nationally where its performance is highly dependent on the level of technology in use at any given time.

The extensive adoption of technology in this sector in form of mechanized farming systems, early warning systems and its commercialization, the county economy is bound to flourish. The livestock subsector is expected to improve from the benefits emanating from the subsidized A.I. programme.

## ii. The infrastructure Sector

Continued improvement in infrastructure within the county by the national and county governments will enable other productive sectors to thrive. Specifically investments in energy will catalyse creation of employment in the informal sector.

The county government will continue with the improvement of market infrastructure through construction of new markets at county border points and lighting up the towns which will enhance the growth of Small and Medium Enterprises and prolong the business working hours in the county.

## iii. Tourism

The CBROP indicates that the tourism prospects are expected to grow especially due to the increased investment in tourism promotion by the county government. As such, the county intends to continue providing a favourable environment for the tourism sector to prosper. Mr Speaker, I beg your protection, because this House has turned into a market place.

**Speaker:** Order Members! Even if you are consulting, do it moderately.

Proceed Hon. David Ndirangu.

**Hon. David Ndirangu (Mirangine):** Thank you Mr. Speaker.

## FINANCIAL FORECAST FOR 2017/18 FY AND THE MEDIUM TERM

Revenue Projections

The CBROP indicates that for the period 2017/18-2019/20 the total projected revenues for the County in the 2017/2018 FY are estimated to rise from Kshs. 5,529,978,906 to Kshs.5,634,016,374 in 2016/17 FY.

Local revenues are expected to improve significantly.

Noting the shortfall in the local revenues for the FY2015/2016, the County Government will focus on improving the efficiency in revenue administration by;

1. Strengthening the adoption of the County revenue automation;
2. Focusing on streams which underperformed in the previous year; and,
3. Exploring other potential revenue sources.

In addition, the County also expect donor funding, for example,

- i. DANIDA funds of Kshs.9, 430,000 for the Department of Health; and,
- ii. Other conditional grants (including fuel levy fund, maternal health care and user fees foregone) amounting to Kshs.131, 044,248.

Equitable sharing of revenue has been rising gradually since the first year of devolution; hence the County Treasury has projected a conservative estimated growth of 6 percent in FY 2017/2018 translating to a growth of approximately Kshs.278, 843,063 pushing the equitable share to Ksh5, 634,016,374.

Mr Speaker, let me move over to Chapter Five on Conclusion and Way Forward: Arising from the above, the set of policies as outlined in the CBROP ensures continuity in resource allocation based on prioritized programmes that have been earmarked by the County Government to provide essential services, accelerate growth, create employment and reduce poverty. The policies and proposed sector ceilings will guide the departments in preparation of the FY 2017/18 budget.

In addition, the PFMA, 2012 and the PFMA (County Government) Regulations 2015 stipulates that preparation of the fiscal framework as presented by the CBROP lays ground for following year (2017/18f/y) budget estimates as well as prioritization of sector resource allocation over the medium term. The County government entities will therefore focus their allocations and prioritization towards the achievement of the same in the forthcoming County Fiscal Strategy Paper,

In addition, the following inconsistencies have been noted and needs further clarification by the County Treasury;

#### Error in summation of total development as per the CBROP

| Description            | Recurrent     | Development   |
|------------------------|---------------|---------------|
| Actual total           | 2,159,149,988 | 1,663,537,310 |
| Total as per the CBROP | 2,159,149,988 | 1,678,537,310 |
|                        |               | 15,000,000    |

Note: Kshs.15, 000,000 has been included in summation therefore overstating the total development expenditure for the period ending 30<sup>th</sup> June 2016.

#### Ever expenditure in department as per the CBROP 2016

| Department | Approved budget estimates | Reported as per CBROP | Over expenditure |
|------------|---------------------------|-----------------------|------------------|
| Education  | 62,930,000                | 72,048,484            | (9,118,484)      |

Note: Kshs.9, 118,484 was spent over and above the total approved development expenditure for the period ending 30<sup>th</sup> June 2016.

#### Surplus (unspent balances)

|   |                      |
|---|----------------------|
| REVENUE   | 2015/16(actual)      |
| National Transfers  | 4,307,070,831        |
| Local Collections   | 281,941,469          |
| Donor fund(DANIDA)  | 18,860,000           |
| CONDITIONAL GRANTS  |                      |
| Fuel levy fund  | 54,714,122           |
| Maternal health care  | 30,690,000           |
| User fees foregone  | 13,898,986           |
| Leasing of medical equipment  | 95,744,681           |
| European Union  | 0                    |
| Balance B/F   | 591,051,795          |
| <b>TOTAL</b>  | <b>5,393,971,884</b> |
| EXPENDITURE   |                      |
| Recurrent   | 3,206,287,987        |
| Development   | 1,678,537,310        |
| <b>TOTAL</b>  | <b>4,884,825,297</b> |
| Surplus (unspent balances) as indicated by the CBROP and as allocated in the Supplementary Budget Estimates | 296,375,595          |

Note: The total actual realised revenue to the County for the period ending 30<sup>th</sup> June 2016 was Kshs.5,393,971,884 while the total expenditure was Kshs.4,884,825,297, the difference amounts to Kshs.509,146,587 (Unspent Funds/expected balance to be brought forward).

The latter shows that the reported Kshs.296, 375,595 is less by Kshs.212, 770,992. It's therefore important that the County Treasury explains the deviations within fourteen (14) days.

Mr Speaker, if you subtract Kshs.4, 884,825,297 from Kshs.5, 393,971,884 it will not give you Kshs.296, 375,595 that was brought forward. You fail to understand where the extra money went to.

Mr Speaker, I have moved the motion on behalf of my Chairperson, who is sitting his exams. In view of this, I wish to call Hon. Githinji whom I expect to elaborate more on the report since he attended the meetings in which deliberations towards compilation of the same were held.

Thank you Mr Speaker.

**Speaker:** Yes, Member for Geta, Hon. Githinji Mwaniki.

**Hon. Githinji Mwaniki:** Thank you Mr. Speaker, Sir, I rise to second this motion. I believe much has been said and although I do not intend to expound on it further, allow me to highlight a few issues. The CBROP is a report of how the county expends its revenue in terms of the percentage that goes to development and recurrent votes. For instance, the Department of Education in the financial year under review was allocated Kshs. 62,931, 000 but it exceeded its expenditure to over 9 million and we would like to know where the excess

came from. The total amount budgeted for county development was Kshs. 1,163,537,310 but the actual figure spent is Kshs. 1,678,537,310, the 15 million is not explained despite not having been factored in. That is why, Mr. Speaker, we are asking for an explanation within 7 days.

Some of the issues raised by the various departments regarding pending bills could have easily been solved by the money that cannot be accounted for. The county had a total allocation of Kshs. 5,597,056,815. The total allocation for the pending bills in the recently passed Supplementary budget was Kshs. 230,000,000 but here we have Kshs. 229,000,000 that remains unaccounted for. Without saying too much, I beg to second.

*(Question proposed)*

*(Question put and agreed to)*

**Speaker:** Next order.

### PROCEDURAL MOTION

#### ADJOURNMENT

**Speaker:** Yes, County Member from Githioro and Member of the House Business Committee, Hon. Dorcas Kihara.

**Hon. Dorcas Kihara:** Thank you Mr Speaker. On behalf of the Leader of the Majority party, Hon. Kariuki Muchiri, I beg to move the following motion:

That pursuant to Standing Orders number 28(3) and 51(b),

28(3) On a day when the Assembly is scheduled to adjourn to a day other than the next normal sitting day in accordance with the Assembly Calendar, the Leader of the Majority Party or the Leader of the Minority Party or another member of the House Business Committee shall move a Motion of adjournment which shall be debated for not more than three hours after which the Assembly shall adjourn without question put.

51. Motions which may be moved without Notice

The following Motions may be moved without notice-

(b) Motion for the adjournment of the Assembly or of a debate;

That this House does resolve to adjourn to a day other than the next normal sitting day of the Assembly. The next normal sitting day being Tuesday the 31<sup>st</sup> day of January, 2017 at 2.30 P.M and as such, the House does adjourn to Friday the 16<sup>th</sup> day of December, 2016 at 10.00 A.M.

Mr Speaker, this motion is necessitated by the communication made by the Chair regarding the petition by contractors. It is only prudent, therefore, to allow the members to peruse the report of the Roads Committee that has just been tabled here before we go for recess. Mr. Speaker, the contractors are our people and we need to put them at ease as soon as possible. Thank you Mr. Speaker, Sir, I move and call upon Hon. Miriam Wahura to second.

**Speaker:** Yes, County Member from Charagita, Hon. Miriam Wahura

**Hon. Miriam Wahura:** I rise to support this motion of adjournment. We have just received this report and I believe, it is only fair that we get enough time to go through it and deal with it once and for all. Thank you Mr. Speaker, I second.

*(Question proposed)*

**Speaker:** Yes Member for Mirangine, Hon. David Ndirangu Ngigi.

**Hon. David Ndirangu:** Thank you Mr. Speaker, I rise to support this motion. We have just received this report and it would be wise to go through it at least for tonight before it is moved. Thank you Mr. Speaker, I support and call the mover to respond.

**Speaker:** Yes, mover and County Member from Githioro, Hon. Dorcas Kihara.

**Hon. Dorcas Kihara:** Thank you Mr. Speaker. I wish to thank my fellow Hon. Members for supporting this motion. I beg to move.

*(Question put and agreed to)*

*(The House rose at 3.43 PM)*